

CAPACITY BUILDING PROGRAM Guidelines and Application

Fiscal Year 2015



Capacity Building Program FY 2015

1. PURPOSE

The City of Austin Economic Development Department's Cultural Arts Program recognizes the unique role of arts and culture in ensuring a strong creative economy. The Capacity Building program is designed to strengthen the economic stability of arts and cultural organizations to ensure strategic workforce development in the creative sector, to provide access to quality arts for its citizens, and to grow and sustain Austin's artistic and cultural assets. The program's targeted approach to the development of Austin's community cultural institutions further addresses the City's long term goals to increase and diversify production of arts and culture, preserve the character of Austin, and to enhance the presentation of Austin's cultural diversity, reflecting its demographics in all areas.

Capacity Building refers to developing and strengthening the skills, competencies and abilities of people and communities to help realize their developmental goals to achieve measurable and sustainable results. The program is specific to development of critical infrastructure such as management, governance, financial resources and administration and career systems.

The overall objective for this competitive solicitation is to establish contracts with small and medium non-profit arts and cultural organizations for organizational and career development in an amount not to exceed \$56,000 within the current fiscal year. Serving as an incubator, this program will be competitive with a selection of no more than six organizations each year. This program will be implemented as a first-year pilot to inform future program development. The grant of public funds provided herein will serve the City's goals of promoting local economic development and stimulating creative business activity.

Goals

- To invest in the health of the creative and cultural ecosystem;
- To provide concentrated and targeted support to a variety of organizations for a measurable return on investment;
- To increase public access to quality arts and culture;
- To grow and sustain small and medium-sized arts and cultural organizations and institutions in Austin;
- To strengthen existing organizations so that in turn field/market growth can occur for the balance of cultural services;
- To stimulate capability and tenure projection; and
- To improve the infrastructure of arts and cultural producing/presenting organizations through administrative and capacity building activities.

2. BACKGROUND

The purpose of the Cultural Arts Division is to nurture, preserve, and promote Austin's arts and creative industries in order to strengthen and sustain Austin's dynamic cultural vitality. The Cultural Arts Division functions in part as the Local Arts Agency for Austin with a purpose of strengthening the role of the arts in economic development,

tourism, community development and revitalization. The division serves the creative community working in all art forms and disciplines and encourages neighborhood-based organizations and activities that promote art, imagination, and creativity to enhance the role of the arts as part of the daily fabric of community living.

On August 25, 2011, Austin City Council authorized an update to four previously commissioned studies relating to the impact of cultural activities on the local economy to reflect changes in the industry. The study was compiled into a report entitled "The Economic Impact of the Creative Sector in Austin – 2012 Update". The study reports economic impact results and gives evidence of significant impact and overall value of arts, culture and creative industries as a fundamental component of the economy. In 2010, the creative sector accounted for just over \$4.35 billion in output (about one third more than in 2005), \$2 billion in value-added, \$1 billion in labor compensation, over \$71 million in City tax revenues, and almost 49,000 permanent jobs. The role of the creative sector in Austin's economy (as measured by employment) has risen by about twenty-five percent over the past five years, a pace more rapid than the ten percent growth for the local economy as a whole, and reflects the fact that creativity (in its many facets) is increasingly important to the present and future regional economy. However, according to the study, business models are in flux and access to financial resources continues to be a challenge for all creatives working in the not-for-profit models.

Subsequent to the Creative Sector Economic Impact Study, a City of Austin Creative Sector Economic Impact Study Staff Report and Action Plan was submitted to Austin City Council on May 24, 2012 to address the needs of the creative sector through an implementation plan to improve the key areas such as Capacity Building.

In 2003, a report of the Cultural Vitality and Creative Economy Subcommittee was issued as part of the Mayor's Task Force on the Economy. The report provided recommendations on how to best support local cultural vitality and foster the continued growth of creative jobs, recognizing that strong cultural and social institutions help build the quality of life that attracts talented workers and directly employ many creative workers. The subcommittee members believe that supporting arts and cultural amenities is a critical aspect in expanding jobs and businesses in the creative sector.

In 2010, Austin City Council endorsed *CreateAustin* Community Cultural Master Plan, which was the result of a two year process of cultural assessment, research, and community engagement undertaken to chart a course for Austin's cultural development over the next 10 years. The Capacity Building program responds to Recommendation #3 "to increase and focus business development and technical assistance services for nonprofit creative businesses, nonprofit cultural organizations and individual creators to enhance management capacity and grow jobs, wealth, and economic impact of promising subsectors of the creative economy. Improving management effectiveness, marketing and fundraising will enhance revenues."

Furthermore, the City of Austin Imagine Austin Comprehensive Plan, adopted by Austin City Council in 2012, recognizes that Austin's creative sector is key to our continued economic growth. The plan outlines a guiding principal to "provide paths to prosperity for all" by developing new economic sectors through partnerships between the business community, city government, and institutions to help employ a diverse workforce and expand opportunities. Prosperity for all means capitalizing on the city's creative industries, cultural heritage, and diverse population to position the city as a national and international center for innovation and knowledge-based industries. The plans key findings for arts and creativity include:

- Arts and creative community struggles with issues of funding, affordable and appropriately-sized performance and practice space, housing, health and healthcare, and quality of life issues.
- City and private funding for local arts facilities and programs is critical to the ongoing strength of the arts in Austin.
- Workforce development programs need to provide job training for technological, arts-related occupations.

Through this solicitation, the Cultural Arts Division seeks to support the development of a creative and cultural labor force to maintain Austin's competitiveness and ensuring that creativity remains central to Austin's present and future economy.

3. PROGRAM REQUIREMENTS

Eligibility

Capacity Building initiative allows direct support of development activities for small and medium-sized organizations to achieve their artistic, programming and infrastructure goals. The program offers funding support for eligible organizations based upon years in operation, operational budget size and legal tax status.

All applicants must meet the following minimum eligibility requirements:

- All applicants must be a 501(c) arts or cultural organization in good standing with the Internal Revenue Service (as evidenced by a current IRS determination letter or copy of the most recent Form 990 filed with the IRS and identified in the organization's mission statement), OR be registered with the state of Texas as an organization with non-profit status;
- The organization's primary mission, as described in its mission statement and approved by its board of directors, is the production or presentation of arts and cultural programming;
- Organizations must have an active volunteer board of directors that meets at least three times a year;
- Organizations must reside within the City of Austin or its Extra-Territorial Jurisdiction (ETJ), and provide arts or cultural programming to Austin residents, visitors and/or underserved communities and audiences;
- Organizations must have been operation in Austin for a minimum of 3 years at time of application;
- Organizations must not have any outstanding Final Reports due to the Cultural Arts Division;
- Applicants may only submit one Capacity Building application per fiscal year; and
- An applicant may only receive funding once every three years.

Award Levels

Level I: 501c Organizations with an annual budget of \$250,000 or less are eligible to apply for up to \$15,000. Applicants with 501c status, as evidenced by IRS Form 990, must be listed on Guidestar. The tax-exempt status must have been granted by the IRS at least one year prior to the grant application deadline.

Level II: Arts and cultural organizations with an annual budget of less than \$100,000 and without 501c status are eligible to apply for up to \$10,000. Applicants must be listed with the state of Texas as a non-profit organization.

Funding Requests

Capacity building funding may be used to support organizational infrastructure in areas such as management, governance, financial resources, or administrative systems. Activities may include but are not limited to:

- Strategic or business planning
- Organizational assessments
- Board and/or staff leadership or administrative development
- Consultant fees directly related to management, governance, financial resources, or administrative systems
- Earned income development, including development of strategies to increase admissions, tuition, merchandise sales, or facility rentals
- Fund development training and research
- Development of collaborative strategies
- Technology upgrades may be considered with demonstrated need
- Instructional classes, workshops, or conferences

Ineligible Expenditures

- Artistic projects/programs will not be funded, only professional/organizational development activities
- Normal operating costs such as salaries, office supplies or travel expenses
- Food and hospitality
- Fundraising events
- Any activity funded through the Cultural Funding Programs such as Core Funding, Community Initiatives,
 Cultural Expansion Program, and Cultural Heritage Festivals Program

4. EVALUATION CRITERIA

Applications to the Capacity Building Program will be reviewed according to the following criteria. Each of the criteria total to a maximum of 100 points. Each application will be scored individually based on the criteria. A limited number of organizations will be contracted through this competitive selection process.

Organizational/Project Need: 40 Points

- Does the applicant demonstrate a history of providing programs and services of high quality?
- Does the organization produce/present quality work that contributes to the unique artistic/cultural landscape of Austin?
- Does the applicant demonstrate a specific organizational development need for the type of activity proposed?
- How does the project strengthen the applicant's organizational stability and long-term capacity as a cultural resource in the community?
- Does the applicant organization provide programs and services primarily to culturally-based or historically underserved/under-represented segments of the community?

Management and Capability: 30 Points

- Does the organization demonstrate skills needed to complete the proposed programming/project?
- Does the organization demonstrate measurable involvement of culturally diverse populations on the board, staff, and in the development and presentation of programming/projects?
- Is the organization prepared to undertake the proposed project in addition to performing its regular/ongoing programming and activities?

Proposal Feasibility: 30 Points

- Do the proposal activities reflect a high administrative priority for the organization's development?
- Is the scope and timeline proposed realistic and capable of being completed within the specified time period?
- Is there evidence of the anticipated impact on the community as well as the organization from the Capacity Building Program's funding outcomes?
- Is the project budget appropriate, complete, and reasonable for the proposed project?

5. CONTRACT REQUIREMENTS

Organizations selected for support will enter into a contract that outlines the scope of services and the requirements of the agreement, including reporting requirements and legal issues applicable to the funding. All funds are to be used for the stated activities as a requirement of the agreement.

Payments

An initial payment will be made upon execution of the agreement and completion and submission of the Organization Assessment Pre-Survey. Second payment will be made upon completion of Mid-Year Report Form. Mid-Year Report must demonstrate completed activities as defined in the Scope of Work. Final payment will be paid after submission and approval of the final report, completion of the Post-Survey, and presentation to the Austin Arts Commission. (See the reporting requirements section below.)

Contractors with outstanding reports from previous years are not eligible to receive any payments if they are in default of a previous cultural contract.

Reporting Requirements

1. Organization Assessment Pre-Survey

Contractor shall provide an Organizational Assessment to assess capacity. (See Capacity Assessment Grid - Venture Philanthropy Partners: http://www.vppartners.org/sites/default/files/reports/assessment.pdf)

2. Mid-Year Report

3. Final Report and Post-Survey

The final report and post-survey is due on or before thirty (30) days following the end of the last deliverable/milestone or by August 1, 2015, whichever occurs first.

4. Final Presentation to the Austin Arts Commission

In conjunction with submission of the final report and post-survey, Contractor shall make a summary presentation in person to the Austin Arts Commission no later than 30 days after submission of the final report and post-survey.

<u>Insurance</u>

Contract applicants are required to carry insurance as outlined below and must **provide the Cultural Arts Division**Office with a current Certificate of Insurance prior to entering into a contract. Insurance costs should be included in the applicant budget and, as such should be researched prior to submitting the application. These costs are an allowable budgetary expense if awarded funding. More specific insurance requirements are included in the Cultural Services Agreement.

The Contractor may be required to carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

Commercial General Liability Insurance: The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).

Business Automobile Liability Insurance: The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.

Credit Requirements of the Cultural Arts Division of the City of Austin Economic Development Department (EDD): Organizations receiving Capacity Building support are required to acknowledge the support of the City of Austin through the use of logos and credit lines on all marketing and promotional materials. Required logos can be found on the EDD Cultural Arts Division website (www.austincreates.com), the credit line is: "[Organization Name] is a recipient of the Capacity Building program from the Cultural Arts Division of the City of Austin Economic Development Department."

6. TIMELINE

February 23, 2015 Post Capacity Building Program Guidelines and Applications

March 2015 Capacity Building application workshop

March 23, 2015 Deadline to submit application

April 24, 2015 Panel review of applications

April 27, 2015 Execute contracts and begin project; report to Austin Arts Commission

April/May Pre-contract workshops held for contractors

June 15, 2015 Interim report due

August 1, 2015 Project completed and final report due

7. APPLICATION / INSTRUCTIONS

1. Letter of Interest

All applicants must submit a Letter of Interest (LOI) on organizational letterhead. LOI should be no longer that 1-2 pages in length and should briefly address the history of the organization, its mission, history of staff tenure, and accomplishments to date.

2. Organizational chart

Applicants must submit an organizational chart with staff and board (officers, committee chair) designations.

3. Application

- a. Application Information
- b. Staff Leadership
- c. Board Leadership
- d. Facility Information
- e. Project Team Qualifications
- f. Financial Management Information
- g. Organization Financial Information
- h. Proposal Narrative
- i. Project Deliverables

The Project Deliverable and Timeline should reflect when the activity is expected to be complete and summarize the total activity cost. The development activity must begin no sooner than April 27, 2015 and must be completed by August 1, 2015.

No financial match is required for compliance of the contract; however, additional investment of organizational resources may be necessary to achieve the goals of the capacity development plan. The budget must be specific to the activities for which funding is requested and separate from the general operating or artistic programming budget. The proposed development plan may not include other Cultural Arts Funding Programs funds or monies already being used to match other City funding.

Project Deliverables Example:

Activity Description	Tasks / Deliverables	Cost Summary	Completion Date
Board Development	Advisory Board membership and charter	\$500	January 15, 2014
Strategic Plan	Procure consultant, and Complete 3 strategic planning meetings with staff/board	\$5,000	May 15, 2015

Strategic Plan	Finalize Strategic Plan, and Documentation of plan implementation if within the contract period	\$1,500	September 1, 2015
Arts Administrative certification	Attendance to professional development workshop or industry-related conference	\$3,000	August 31, 2015

j. Assurances

4. Current Year Annual Operating Budget

All applicants must submit a current year annual operating budget.

5. Documentation of Non-Profit Status (State/Federal)

- a. Copy of state of Texas designation of non-profit status from the Texas Secretary of State, and
- b. *If designated as a 501c non-profit arts organization*, a copy of a signed IRS Form 990 Annual Tax Filings if NOT POSTED ON GUIDESTAR. To access your IRS Form 990, log onto www.guidestar.com.

6. Artistic Support Materials

3 copies of the list of the CURRENT programming of arts or cultural performances, exhibitions, activities or programs that were/are open to the public with the date, title of the activity, and venue/location.

3 copies of the list of the NEXT year's programming of arts or cultural performances, exhibitions, activities or programs that were/are open to the public with the date, title of the activity, and venue/location.

3 sets of Artistic Support Materials, which should be an appropriate combination of CD/DVD, books or printed materials (programs, flyers, press clippings, press releases, etc.), as applicable to your artistic discipline or project. You are advised to check copies of electronic materials prior to submission. As panelists may not be familiar with your organization, the quality of the materials you submit may reflect upon the quality of your programs. If you have video posted online, provide an additional page listing at most 3 web links that the panel can view your work.

For questions, contact Jesus Pantel, Contract Compliance Specialist Senior, at jesus.pantel@austintexas.gov or (512) 974-9315.

Completed Application and supplemental material, must be submitted no later than 5:00 pm on March 23, 2015.

Submissions received after the deadline will NOT be considered for the full application.

City of Austin Economic Development Department Cultural Arts Division

APPLICANT INFORMATION

Capacity Building Program Application FY 2015

FY 2015

Applicant's Legal Name:	
Common Name, if different than above:	
Federal ID No. (EIN), if 501c:	Date Incorporated:
Non-profit State of Texas Designation yes no	Date filed:
Official Mailing Address:	bute med.
	7in Codo:
City: State:	Zip Code:
Main Telephone Number:	Fax:
Website (URL):	
Elected Official District for Organization:	Councilmember:
Project Contact:	
Name:	Title:
Telephone: ext	Fax:
Email:	
CEO or Executive Director (ED):	
Name:	Title:
Board Chair:	
Name:	Title:
Address (other than organization	
City: State:	Zip Code:
Telephone: ext	Fax:
Email:	

В	S	TAFF LEADERSHIP
	1.	The organization's Executive or CEO is
	2.	Number of staff who are: Full Time Part Time Contractual Interns Volunteers (Unpaid)
	3.	Total number of paid staff: (total of # full time + # part time + # contractual)
	4.	Tenure of current Executive Director:Years Tenure of Previous Executive Director:Years
С	В	OARD LEADERSHIP
Rac		thnicity Full Board African American
	2.	Asian American
	3.	Latino / Hispanic
	4.	Native American
	5.	Caucasian
	6.	Multi-Racial
		TOTALS
	1.	Board of Directors Gender Ratio # of Males # of Females
	2.	How many Full Board Members participated in a formal board contribution during the current term: of
	3.	Frequency of Board Meetings:
D	F	ACILITY INFORMATION
		Strative / Own Space Lease Commercial Office Space Donated Commercial Office Space Donated Residential Office Space (Administrative offices at CEO, Artistic Director or Board Member Home) No Administrative Offices Other (please explain):

Check the Administrative Equipment the organization has access to:	☐ Internet Access ☐ Scanner ☐ Accounting/bo If checked, which ☐ Contact Manag	Printer – Number of eacts:	adband T-1/T		ame):
Space for Artistic Programs:	Lease or Rent of Donated Space All programs a Other (please of Donated Space) If you lease space 1. 2. 3. 4.	re outreach at other org	anization's location	ns	
E PROJECT TEAM QU	JALIFICATIONS				
The organization's Project complete the scope of work		rt the Primary Contact	to meet the rec	juirements of t	the contract and
Please list the board and st column blank if the informa Leadership Team member a Team." Attach a separate p	ation is not applicat as it relates to the c	ole for the person). Briefl	ly describe the role	and qualificati	ons of each
Leadership Team Membe	rs	Staff Title	Years Working on Staff	Board Position	Years Serving on the Board
Full Name: Email:					
Full Name: Email:					

Full Name: _____ Email: _____

Full Name: _____ Email: _____

	_				
F	FI	INANCIAL MAMAGEMENT INFORMATION			
	1.	Method of accounting: Cash Accrual			
:	2.	IRS Form 990's posted on Guidestar: 2011 If filing(s) not posted on Guidestar, attach signed h		2013 Supplemental M	Naterial.
3	3.	Organization prepares the following financial Statement of Financial Position (balance sheet):		board review i	n the following frequency: ☐ Annually ☐ other:
		Statement of Activities (income statement):	Monthly	Quarterly	Annually other:
		Statement of Cash Flow:	Monthly	Quarterly	Annually other:
4	4.	Organizational Budget of current fiscal year a	pproved by the	Board of Direc	tors on (MM/YYYY):
G	0	RGANIZATION FINANCIAL INFORMATION			
	-	y include a brief statement to clarify points regarc imit your statement to this page only. If you wish	=		=
ricus		mine your statement to this page only. If you wish	not to include a	oner statemen	it, please leave this page siank.
	_				

Qualifications of Project Team (200 word limit):

H PROPOSAL NARRATIVE

Please limit your response to the following questions to no more than three pages.

	, , , , , , , , , , , , , , , ,
a.	What are the organization's artistic and programmatic goals over the next 12 months and what specific challenges does the organization face in achieving those artistic and programmatic goals?
b.	What specific challenges does the organization face in terms of establishing or building critical infrastructure (management, governance, financial resources, and administrative systems) over the next 12 months?
C.	What is the organization's capacity development plan to confront the identified challenges and achieve its identified goals?
d.	How will the organization measure the impact and success of the capacity development plan?

PROJECT DELIVERABLES

The development activity must occur and be completed within April 27 – August 1, 2015. The Project Deliverable and Timeline should reflect the tasks required to accomplish the project, when the activity is expected to be completed, and a summary the total activity cost.

Activity Description	Deliverables	Cost Summary	Completion Date

ASSURANCES

The authorized officials signing these assurances certify the following:

- 1. The Applicant Organization is a non-profit organization, duly incorporated in the State of Texas, with a functioning board of directors and bylaws, or the Applicant Organization is classified by the U.S. Internal Revenue Service, under Section 501(c) of the IRS Code, as a nonprofit, tax-exempt organization and that the IRS determination is current.
- 2. The applicant has read, understands and will conform to the policies and regulations of the Capacity Building program, as published in the 2015 Capacity Building program guidelines.
- The applicant will comply with Section 10(7)(b) of the Texas Commission on the Arts' Enabling Legislation, which prohibits the TCA
 and its grantees from knowingly fostering, encouraging, promoting, or funding any project, production, workshop, and/or
 program which includes obscene material as defined in Section 43.21 Penal Code of Texas;
- 4. The applicant organization is responsible for the programs and services for which funding support is sought. Any funds received as a result of this application will be used solely for the purposes described in the application.
- 5. Neither the applicant nor any of its agents, representatives, or subconsultants, have undertaken or will undertake any activities or actions to promote or advertise any Capacity Building Program proposal to any peer review panel members, any member of any City Commission reviewing the proposals, any member of the Austin City Council or City staff except in the course of City-sponsored inquiries, or any interviews or presentations between the date that the application is submitted and the date of award by City Council;
- 6. The applicant is in compliance with all applicable federal, state and local laws.

The application submitted to the City of Austin has been duly authorized by two authorized officials for the applicant organization. At least one of the authorized officials is a principal of the organization with the legal authority to certify the information contained in the application and sign contracts for the organization.

SIGNATURE # 1		
Signature of Executiv	e Staff	Date
Print Name:		
Title:		
SIGNATURE # 2		
Signature of Board Ch	hair	Date
Print Name:		
Title:		

K	APPLICATION CHECKLIST
	Compile the following documents in HARD COPY. <i>KEEP MATERIALS IN THE ORDER BELOW. ONE COPY SET. NO STAPLES. SLIP SHEET EACH SECTION W/ ONE COLOR PAPER.</i>
	Letter of Interest: 1–2 pages on organization's history, mission, management history, and accomplishments to date. Application Form: Application form and Assurances page (with original authorized signatures). Organizational chart with staff and board (officers, committee chair) designations. Current Year Annual Operating Budget as approved by the Board of Directors. Copies of signed IRS Form 990 Annual Tax Filings NOT POSTED ON GUIDESTAR as reported in Section G. If 2011 – filings are on Guidestar, you do not need to submit hard copies as a Supplemental Material. To access your IRS Form log onto www.guidestar.com .
ARTI	STIC SUPPORT MATERIALS:
	3 copies of the list of the CURRENT programming of arts or cultural performances, exhibitions, activities or programs that were/are open to the public with the date, title of the activity, and venue/location.
	3 copies of the list of the NEXT year's programming of arts or cultural performances, exhibitions, activities or programs that were/are open to the public with the date, title of the activity, and venue/location.
	3 sets of Artistic Support Materials, which should be an appropriate combination of CD/DVD, books or printed materials (programs, flyers, press clippings, press releases, etc.), as applicable to your artistic discipline or project. You are advised to check copies of electronic materials prior to submission. As panelists may not be familiar with your organization, the quality of the materials you submit may reflect upon the quality of your programs. If you have video posted online, provide an additional page listing at most 3 web links that the panel can view your work.

Hard copies of Application and Supplemental materials may be

Hand Deliver to the Cultural Arts Division Office by 5:00 PM Monday, March 23, 2015

or

Mailed by postmark date Monday, March 23, 2015 to:

Economic Development Department / Cultural Arts Division | 201 E. 2nd Street | Austin, TX 78701 Attn: Capacity Building Program